

ECONOMIC IMPACT REPORT FY2008



MARYLAND STATE
ARTS COUNCIL

ECONOMIC IMPACT REPORT

OF THE NONPROFIT ARTS INDUSTRY
IN MARYLAND FY2008

INTRODUCTION

Maryland is home to hundreds of vibrant arts organizations across the State—from traditional and established to cutting-edge venues. From treasured museums, symphonies and theaters to emerging arts centers, new technologies and creative enterprises—all continue to engage their communities even as the economy strives to rebound.

Since 1967, the State of Maryland has invested in the arts through the Maryland State Arts Council (MSAC). Strong State leadership continues to recognize that the arts are a defining factor contributing to the high quality of life, strong educational programs and economic development in Maryland.

In Maryland the nonprofit arts industry creates and supports jobs, encourages tourism, attracts audiences and revitalizes neighborhoods, as well as generates government revenues, and is therefore an integral part of the economic development strategy for the State. Nonprofit arts organizations are active contributors to the business community. They are employers, producers, consumers and members of chambers of commerce, as well as key partners in the marketing and promotion of their cities and regions.

This report provides an economic impact analysis of the hundreds of nonprofit arts organizations statewide supported through MSAC grants. It is MSAC’s inaugural economic impact study using data drawn from the Maryland Cultural

Data Project and based on Americans for the Arts’ *Arts & Economic Prosperity III: The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences* model. This reporting method will allow MSAC to compare the findings for the State of Maryland with findings from other states and communities across the country included in *Arts & Economic Prosperity III*.

MSAC commissioned Americans for the Arts (AFTA), a national nonprofit organization dedicated to advancing the arts, to study the economic impact of spending by arts and cultural organizations in Maryland and the impact of event-related spending by the organizations’ audiences.

The Cultural Data Project (CDP) is an online management tool designed to strengthen arts and cultural organizations nationally through the collection of reliable longitudinal data on the sector. The Cultural Data Project is operated by the Pew Charitable Trust. After four years of planning and \$2.3 million of capital investment by the project’s Governing Group, the CDP was first launched in Pennsylvania in 2004 and has grown to include six additional states. MSAC launched the Cultural Data Project (MDCDP) with its Maryland partners* in 2007, the first state to roll out CDP after the initial development in Pennsylvania. In each participating state, the CDP is the result of a partnership of public and private funders and advocacy agencies.

*The Maryland CDP is a collaborative effort of the Project Task Force and the following funders:

- Alex. Brown & Sons Charitable Foundation

Arts & Humanities Council of Montgomery County

Baltimore Community Foundation

Cooper Family Fund at BCF

Harry L. Gladding Foundation

Maryland Heritage Areas Authority
- Maryland Historical Trust

Maryland State Arts Council

Prince George’s Arts Council

The Morris and Gwendolyn Cafritz Foundation

T. Rowe Price Associates Fund at BCF

The William G. Baker, Jr. Memorial Fund

The Project Task Force includes:

- Arts & Humanities Council of Montgomery County

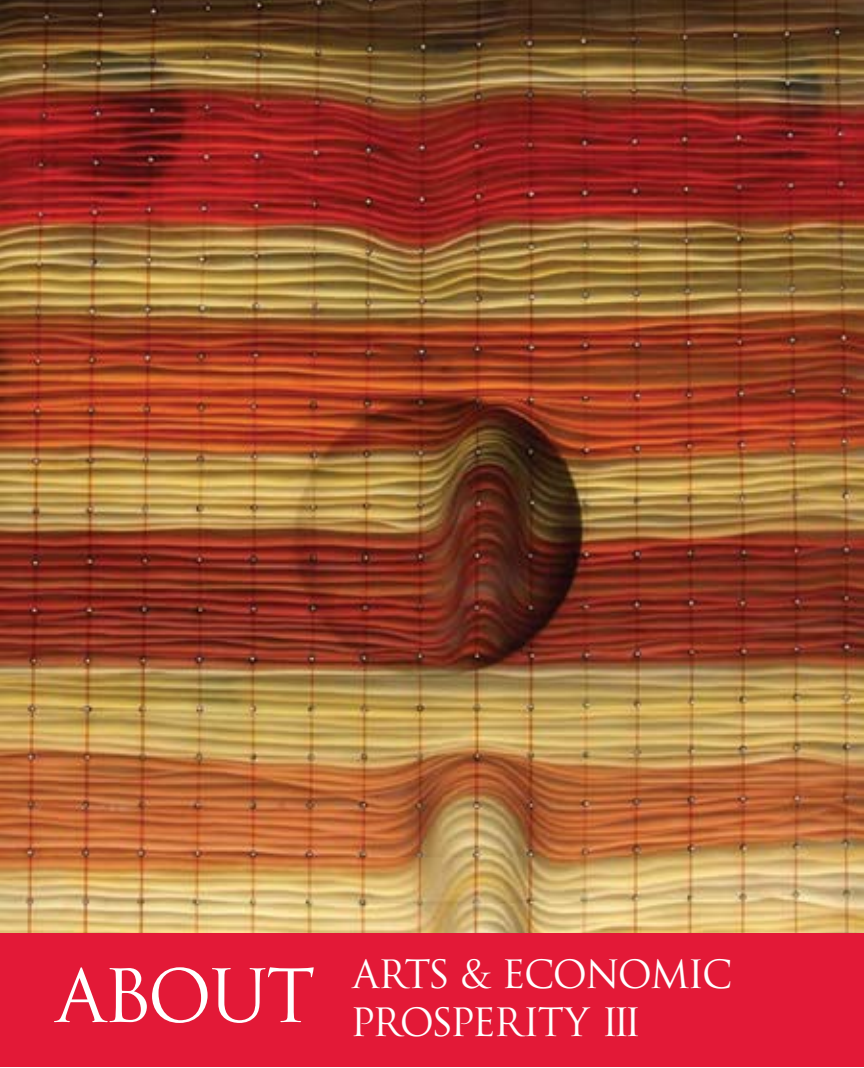
Baltimore Clayworks

Baltimore Community Foundation

Baltimore Office of Promotion & The Arts
- Greater Baltimore Cultural Alliance

Maryland Historical Trust

Maryland State Arts Council



ABOUT ARTS & ECONOMIC PROSPERITY III

In 2007, Americans for the Arts published *Arts & Economic Prosperity III*, the most comprehensive study of its kind ever conducted. It documents the economic impact of the nonprofit arts and culture industry in 116 cities and counties, 35 multicounty regions and five states—representing all 50 states and the District of Columbia. The diverse study regions range in population (4,000 to 3 million) and type (rural to urban). Researchers collected detailed expenditure and attendance data from 6,080 nonprofit arts and culture organizations and 94,478 of their attendees to measure total industry spending. The Maryland Economic Report focuses solely on the economic impact of nonprofit arts organizations and event-related spending by their audiences. Not included in this study are spending by individual artists and the for-profit arts and culture sector.

For Americans for the Arts *Economic Prosperity III* study details, visit www.artsusa.org.

"terracota," Joan Belmar

TOTAL IMPACT

OF THE NONPROFIT ARTS INDUSTRY IN MARYLAND FY2008

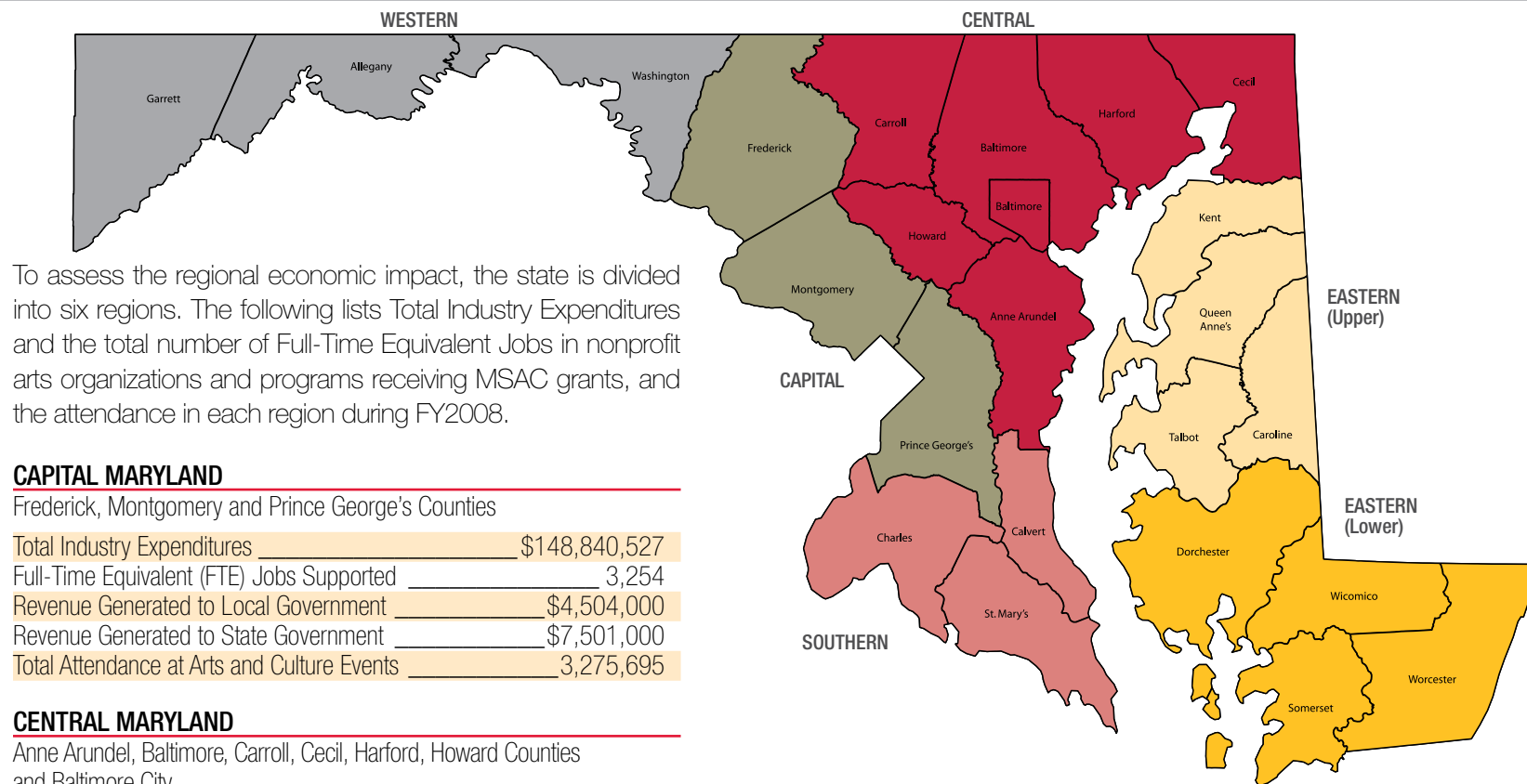
STATE OF MARYLAND

Total Industry Expenditures	\$422,207,061
Full-Time Equivalent (FTE) Jobs Supported	11,263
Revenue Generated to Local Government	\$15,223,000
Revenue Generated to State Government	\$24,145,000
Total Attendance at Arts and Culture Events	8,518,412

This economic impact report provides compelling evidence that the nonprofit arts sector is a significant industry in the State of Maryland—one that generates \$422.2 million in local economic activity. This spending—\$228.3 million by nonprofit arts organizations and programs, and an additional \$193.9 million in event-related spending by their audiences—supports 11,263 full-time equivalent jobs, generates \$243.8 million in household income to local residents, and delivers \$39.4 million in local and state government revenue. This report sends a strong signal that when we support the arts, we not only enhance our quality of life, but we also invest in Maryland's economic well-being.

This report presents the findings of a new study measuring the economic impact of the nonprofit arts industry in the State of Maryland. The methodology used is identical to the national study methodology, providing the ability to compare the results with those of the national study participants.

REGIONAL ECONOMIC IMPACT



To assess the regional economic impact, the state is divided into six regions. The following lists Total Industry Expenditures and the total number of Full-Time Equivalent Jobs in nonprofit arts organizations and programs receiving MSAC grants, and the attendance in each region during FY2008.

CAPITAL MARYLAND

Frederick, Montgomery and Prince George's Counties

Total Industry Expenditures	\$148,840,527
Full-Time Equivalent (FTE) Jobs Supported	3,254
Revenue Generated to Local Government	\$4,504,000
Revenue Generated to State Government	\$7,501,000
Total Attendance at Arts and Culture Events	3,275,695

CENTRAL MARYLAND

Anne Arundel, Baltimore, Carroll, Cecil, Harford, Howard Counties and Baltimore City

Total Industry Expenditures	\$238,020,892
Full-Time Equivalent (FTE) Jobs Supported	6,987
Revenue Generated to Local Government	\$9,463,000
Revenue Generated to State Government	\$14,465,000
Total Attendance at Arts and Culture Events	4,450,944

EASTERN SHORE (UPPER)

Caroline, Kent, Queen Anne's and Talbot Counties

Total Industry Expenditures	\$12,394,186
Full-Time Equivalent (FTE) Jobs Supported	343
Revenue Generated to Local Government	\$441,000
Revenue Generated to State Government	\$726,000
Total Attendance at Arts and Culture Events	263,588

EASTERN SHORE (LOWER)

Dorchester, Somerset, Wicomico and Worcester Counties

Total Industry Expenditures	\$5,648,909
Full-Time Equivalent (FTE) Jobs Supported	182
Revenue Generated to Local Government	\$212,000
Revenue Generated to State Government	\$317,000
Total Attendance at Arts and Culture Events	92,790

SOUTHERN MARYLAND

Calvert, Charles and St. Mary's Counties

Total Industry Expenditures	\$2,726,898
Full-Time Equivalent (FTE) Jobs Supported	52
Revenue Generated to Local Government	\$81,000
Revenue Generated to State Government	\$143,000
Total Attendance at Arts and Culture Events	60,964

WESTERN MARYLAND

Allegany, Garrett and Washington Counties

Total Industry Expenditures	\$14,575,649
Full-Time Equivalent (FTE) Jobs Supported	445
Revenue Generated to Local Government	\$522,000
Revenue Generated to State Government	\$993,000
Total Attendance at Arts and Culture Events	374,431

Data were collected from 255 nonprofit arts organizations and programs in the State of Maryland that produce or present the arts and receive grants from the Maryland State Arts Council for support of their operations and programs, and represent activities for FY2008. This study does not include the economic impact of private for-profit arts enterprises or individual artists. For Maryland study details, visit www.msac.org.

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NATIONAL
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FOR THE ARTS